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Washington, D. C. 20505

The Honorable David A. Stockman, Director Office of Management and Budget Washington, D. C. 20503

Dear Dave:

Thank you for your letter of 10 September supporting our decision to formalize premium pay for Intelligence Community personnel serving overseas. I agree with your recommendation that premium pay be awarded to those personnel whose duties require a commitment to serve a substantial portion of their careers abroad and that NSA and DIA employees be covered only when serving in circumstances similar to those in which personnel of CIA serve.

CIA staff members have coordinated the development of eligibility criteria with the other Intelligence Community agencies involved in order to ensure that inequities are not created but that the special needs and requirements of each agency involved are met. The criteria include clear standards and procedures for identifying those employees eligible for premium pay while serving overseas. Appropriate consultations regarding formalizing premium pay will be accomplished prior to submitting the proposal to concerned Congressional committees.

Again, I assure you that there will be continued dialogue with OMB on this matter.

Sincerely,

John N. McMahon Acting Director

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